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Commissioner

[illegible]

**ORDER TO CEASE AND DESIST,  
ORDER OF RESTITUTION, ORDER  
FOR ADMINISTRATIVE PENALTIES,  
AND CONSENT TO SAME  
BY: CREATIVE FINANCIAL  
FUNDING, L.L.C., AMERICAN  
MONEY POWER, INC. dba MONEY  
POWER, FEDERAL CAPITAL, L.L.C.,  
CORPORATE FIDUCIAL SERVICES,  
INC., PAUL J. MEKA and LARRY  
DUNNING**

Tempe, AZ 85281

DERRECK MANTEAU  
 125 S. 52<sup>nd</sup> Street, Suite 100  
 Tempe, AZ 85281

Respondents.

CREATIVE FINANCIAL FUNDING, L.L.C. (“CREATIVE”), AMERICAN MONEY POWER, INC. dba MONEY POWER (“MONEY POWER”), FEDERAL CAPITAL, L.L.C. (“FEDERAL”), CORPORATE FIDUCIAL SERVICES, INC. (“CORPORATE”), PAUL J. MEKA (“MEKA”) and LARRY DUNNING (“DUNNING”) (collectively referred to as “RESPONDENTS”) elect to permanently waive their right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801, *et seq.* (“Securities Act”) with respect to this Order To Cease And Desist, Order Of Restitution, Order For Administrative Penalties and Consent To Same (“Order”). RESPONDENTS admit the jurisdiction of the Arizona Corporation Commission (“Commission”); admit only for purposes of this proceeding the Findings of Fact and Conclusions of Law contained in this Order; and consent to the entry of this Order by the Commission.

## I.

### FINDINGS OF FACT

1. CREATIVE, MONEY POWER, FEDERAL, CORPORATE, MEKA and DUNNING offered and sold interests in Illinois land trusts to investors. Investors provided funds to lend to individuals or entities that had real property collateral that they owned free and clear. The borrower would transfer the ownership rights to a trust and would become a first beneficiary of the trust. The trustee, CORPORATE, would take the place of the borrower on the title of the property. CORPORATE would handle receipt of the payments from the borrower and make payments to the lenders, the investors. The investments were secured through a beneficial ownership interest.

2. There were two types of programs. Through one program, the investor held a second beneficial interest in property. These investors had the opportunity to select the property.

1 In the second program, the investors invested through MONEY POWER or FEDERAL and  
2 would hold a note collateralized by MONEY POWER and/or FEDERAL's second beneficial  
3 interest in the property. These investor's funds were pooled.

4 3. From September of 1999 through 2001, CREATIVE, MONEY POWER,  
5 FEDERAL, CORPORATE and DUNNING raised over \$10.71 million from the two types of  
6 investors. Of the approximately \$10.71 million raised, \$1.217 million was raised from investors  
7 in MONEY POWER and FEDERAL. The issues arose through the MONEY POWER and  
8 FEDERAL advertisements beginning in August of 2001 as set forth below.

9 4. As of the date of this Order, all investors were receiving their monthly payments.

10 5. Beginning in about August of 2001 through approximately October of 2001,  
11 CREATIVE, MONEY POWER, FEDERAL, CORPORATE, and DUNNING solicited investors  
12 by placing advertisements in *Arizona Senior World* and the *Arizona Republic* seeking investors.  
13 CREATIVE, MONEY POWER, FEDERAL, CORPORATE, and DUNNING placed several  
14 types of advertisements. Some advertisements stated that "no investor has lost principle [sic] or  
15 interest" in the programs and that investors would earn 24% annually. Other advertisements stated  
16 "learn how to become a millionaire guaranteed."

17 6. The Securities Division of the Arizona Corporation Commission ("Division")  
18 responded, in an undercover capacity, to a number of the different advertisements. The Division's  
19 Investigator was told the investments were in notes secured by deeds of trust. Investor funds would  
20 be loaned to businesses secured by deeds of trust on business real estate. The loans were made to  
21 small-to-medium sized businesses. RESPONDENTS offered different return options to investors on  
22 a two-year note the return is 15%, the return for a three-year note is 20% and to receive the 24%  
23 return, the note would be for five years.

24 7. The investor did nothing but place money in the program and collect a check each  
25 month. The first check is received 30 days after the initial investment.

1           8.       RESPONDENTS also held seminars to obtain investors. The Division sent  
2       undercover investigators to attend several of the seminars. The information provided at the seminars  
3       stated the investment was in “promissory notes which are secured by first or second position deeds  
4       of trust or mortgages on real property located primarily in the state of Arizona.” The funds are  
5       pooled from several investors and a set rate of return is guaranteed. All the funds are backed by real  
6       estate.

7           9.       If the borrowers defaulted, the investors would exercise their power of direction in  
8       the trust and, twenty days from the date of default, if not cured, could direct CORPORATE to  
9       foreclose on the property. The holders of the second beneficial interests would then own the  
10      property. The investor has no management role. The investor just invests and collects monthly  
11      payments.

12          10.      The investor does not have a choice of properties to invest in; rather, the investors  
13      are buying into a pool. A promissory note is issued once an investor invested in the program.

14          11.      CREATIVE, MONEY POWER, FEDERAL, CORPORATE, and DUNNING  
15      represented to offerees, through written documentation, that only accredited investors were able  
16      to invest in the programs. RESPONDENTS sold to accredited and non-accredited investors.

17          12.      CREATIVE, MONEY POWER, FEDERAL, CORPORATE, and DUNNING  
18      represented to offerees, through some of the written documentation, that the investor would make  
19      decisions on the promissory note investment such as selecting the property to be funded and  
20      collecting the monthly payments. However, in the oral presentation and the prospectus, the  
21      CREATIVE, MONEY POWER, FEDERAL, CORPORATE, MEKA and DUNNING represented  
22      that the CREATIVE, MONEY POWER, FEDERAL, CORPORATE, and DUNNING will handle  
23      all aspects of the investment opportunity.

24          13.      CREATIVE, MONEY POWER, FEDERAL, CORPORATE, and DUNNING  
25      represented to offerees, through some of the written documentation, that a “trust deed would be  
26      placed on the property in the investor’s favor” and the “note and the trust deed would be signed by

1 the borrower and given to the investor.” However, in the oral presentation, the RESPONDENTS  
2 stated the trustee is CORPORATE and CORPORATE would assign a beneficial interest of its  
3 interest to the investors. The prospectus states that the “units” sold are not secured by the assets of  
4 the company or by real estate. After the Division filed its action, the relevant documents were  
5 changed in order to place a deed of trust on the properties in which all the investors have invested.

6 14. CREATIVE only has a mortgage broker license. A mortgage broker is prohibited  
7 from handling third party funding. The mortgage broker license number is not interchangeable with  
8 a mortgage banking license. CREATIVE, MONEY POWER, FEDERAL, CORPORATE, and  
9 DUNNING misrepresented to offerees through written documents that CREATIVE is a mortgage  
10 banker by using the mortgage banking prefix with its mortgage broker license number. In addition,  
11 at least one document represented that CREATIVE was a mortgage broker, but would receive  
12 mortgage banking fees.

13 15. MEKA did not participate in the drafting of the documents or the advertisements.

## 14 II.

### 15 CONCLUSIONS OF LAW

16 1. The Commission has jurisdiction over this matter pursuant to Article XV of the  
17 Arizona Constitution and the Securities Act.

18 2. RESPONDENTS offered or sold securities within or from Arizona, within the  
19 meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

20 3. RESPONDENTS violated A.R.S. § 44-1841 by offering or selling securities that  
21 were neither registered nor exempt from registration.

22 4. RESPONDENTS violated A.R.S. § 44-1842 by offering or selling securities while  
23 neither registered as dealers or salesmen nor exempt from registration.

24 5. RESPONDENTS violated A.R.S. § 44-1991 by offering or selling securities within  
25 or from Arizona by making untrue statements or misleading omissions of material facts as set forth  
26 in the Findings of Fact.

6. RESPONDENTS conduct is grounds for a cease and desist order pursuant to A.R.S. § 44-2032.

7. RESPONDENTS conduct is grounds for an order of restitution pursuant to A.R.S. § 44-2032.

8. RESPONDENTS conduct is grounds for administrative penalties under A.R.S. § 44-2036.

### III.

## ORDER

THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and the RESPONDENTS' consent to the entry of this Order, the Commission finds that the following relief is appropriate, in the public interest, and necessary for the protection of investors:

IT IS ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENTS, their agents, employees, successors and assigns, permanently cease and desist from violating the Securities Act.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENTS shall cease offering and selling securities unless the security is registered or meets a statutory or regulatory exemption. Further, the RESPONDENTS shall cease extending or “rolling over” any current interests unless the security is registered or meets a statutory or regulatory exemption.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that CREATIVE, MONEY POWER, FEDERAL, CORPORATE, and DUNNING shall, jointly and severally, pay restitution to investors shown on the records of the Commission in the amount of \$7,922,777.76, plus the contracted amount of interest as agreed until paid in full. CREATIVE, MONEY POWER, FEDERAL, CORPORATE, and DUNNING will continue to make payments to investors as reflected in the promissory notes.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that CREATIVE, MONEY POWER, FEDERAL, CORPORATE, and DUNNING shall submit a quarterly report, starting the

1 end of the first quarter after the date of this Order, to the Division detailing the payments made to  
2 the investors and the status of its contractual obligations.

3 IT IS FURTHER ORDERED, if at any time, the payments to investors are not made as  
4 required by this Order, the entire amount of restitution shall be immediately due and payable.

5 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that RESPONDENTS shall  
6 each pay an administrative penalty. CREATIVE, MONEY POWER, FEDERAL and  
7 CORPORATE, jointly and severally, shall pay an administrative penalty in the amount of in the  
8 amount of \$25,000, payable to the "State of Arizona." DUNNING shall pay an administrative  
9 penalty in the amount of \$10,000. MEKA shall pay an administrative penalty in the amount of

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1 \$5,000. Payments shall be made in full by cashier's check or money order on the date of this  
2 Order.

3 IT IS FURTHER ORDERED that this Order shall become effective immediately.

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

5  
6  
7 CHAIRMAN

COMMISSIONER

COMMISSIONER

8 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,  
9 Executive Secretary of the Arizona Corporation  
10 Commission, have hereunto set my hand and caused the  
11 official seal of the Commission to be affixed at the  
12 Capitol, in the City of Phoenix, this \_\_\_\_\_ day of  
13 \_\_\_\_\_, 2002.

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BRIAN C. McNEIL  
Executive Secretary

DISSENT

27 This document is available in alternative formats by contacting Shelly M. Hood, Executive  
28 Assistant to the Executive Secretary, voice phone number 602-542-3931, E-mail  
29 [shood@cc.state.az.us](mailto:shood@cc.state.az.us).

30 N:\ENFORCE\CASES\Creative Financial Funding.wc\PLEADING\final with amendment.doc

31 (wc)



**CONSENT TO ENTRY OF ORDER**

1  
2 1. CREATIVE FINANCIAL FUNDING, L.L.C. admits the jurisdiction of the  
3 Commission over the subject matter of this proceeding. CREATIVE FINANCIAL FUNDING,  
4 L.L.C. acknowledges that it has been fully advised of its right to a hearing to present evidence and  
5 call witnesses and CREATIVE FINANCIAL FUNDING, L.L.C. knowingly and voluntarily  
6 waives any and all rights to a hearing before the Commission and all other rights otherwise  
7 available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code.  
8 CREATIVE FINANCIAL FUNDING, L.L.C. acknowledges that this Order To Cease And Desist,  
9 Order Of Restitution, Order For Administrative Penalties and Consent To Same ("Order")  
10 constitutes a valid final order of the Commission.

11 2. CREATIVE FINANCIAL FUNDING, L.L.C. knowingly and voluntarily waives  
12 any right it may have under Article 12 of the Securities Act to judicial review by any court by way  
13 of suit, appeal, or extraordinary relief resulting from the entry of this Order.

14 3. CREATIVE FINANCIAL FUNDING, L.L.C. acknowledges and agrees that this  
15 Order is entered into freely and voluntarily and that no promise was made or coercion used to  
16 induce such entry.

17 4. CREATIVE FINANCIAL FUNDING, L.L.C. acknowledges that it has been  
18 represented by counsel in this matter, it has reviewed this Order with its attorney and understands  
19 all terms it contains.

20 5. CREATIVE FINANCIAL FUNDING, L.L.C. admits for purposes of this  
21 proceeding only the Findings of Fact and Conclusions of Law contained in this Order.

22 6. By consenting to the entry of this Order, CREATIVE FINANCIAL FUNDING,  
23 L.L.C. agrees not to take any action or to make, or permit to be made, any public statement  
24 denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating  
25 the impression that this Order is without factual basis. CREATIVE FINANCIAL FUNDING,  
26

1 L.L.C. will undertake steps necessary to assure that all of its agents and employees understand and  
2 comply with this agreement.

3 7. While this Order settles this administrative matter between CREATIVE  
4 FINANCIAL FUNDING, L.L.C. and the Commission, CREATIVE FINANCIAL FUNDING,  
5 L.L.C. understands that this Order does not preclude the Commission from instituting other  
6 administrative proceedings based on violations that are not addressed by this Order.

7 8. CREATIVE FINANCIAL FUNDING, L.L.C. understands that this Order does not  
8 preclude the Commission from referring this matter to any governmental agency for  
9 administrative, civil, or criminal proceedings that may be related to the matters addressed by this  
10 Order.

11 9. CREATIVE FINANCIAL FUNDING, L.L.C. understands that this Order does not  
12 preclude any other agency or officer of the state of Arizona or its subdivisions from instituting  
13 administrative, civil or criminal proceedings that may be related to matters addressed by this  
14 Order.

15 10. CREATIVE FINANCIAL FUNDING, L.L.C. agrees that it will not apply to the  
16 state of Arizona for registration as a securities dealer or for licensure as an investment adviser until  
17 such time as all restitution and penalties under this Order are paid in full.

18 11. CREATIVE FINANCIAL FUNDING, L.L.C. agrees that it will not exercise any  
19 control over any entity that offers or sells securities or provides investment advisory services,  
20 within or from Arizona unless CREATIVE FINANCIAL FUNDING, L.L.C. is registered or it  
21 meets an exemption from registration.

22 12. CREATIVE FINANCIAL FUNDING, L.L.C. agrees that until restitution and  
23 penalties are paid in full, CREATIVE FINANCIAL FUNDING, L.L.C. will notify the Director of  
24 the Division within 30 days of any change in address or any change in CREATIVE FINANCIAL  
25 FUNDING, L.L.C.'s ability to pay amounts due under this Order.

26 . . .

13. CREATIVE FINANCIAL FUNDING, L.L.C. shall submit a quarterly report, starting the first quarter after the date of this Order, to the Division detailing the payments made to the investors and the status of its contractual obligations.

14. CREATIVE FINANCIAL FUNDING, L.L.C. attests that all funding transactions were arms length transactions, they were independent, and neither CREATIVE FINANCIAL FUNDING, L.L.C., nor its owners, management or affiliates has any ownership interest in any entities that borrowed funds from investors.

15. CREATIVE FINANCIAL FUNDING, L.L.C. understands that default shall render it liable to the Commission for its costs of collection and interest at the maximum legal rate.

16. CREATIVE FINANCIAL FUNDING, L.L.C. consents to the entry of this Order and agrees to be fully bound by its terms and conditions.

17. ROBERT K. REHM is properly authorized to sign on behalf of CREATIVE FINANCIAL FUNDING, L.L.C.

CREATIVE FINANCIAL FUNDING, L.L.C.

By: ROBERT K. REHM

Its: Managing Member

SUBSCRIBED AND SWORN TO BEFORE me this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

**CONSENT TO ENTRY OF ORDER**

1  
2 1. AMERICAN MONEY POWER, INC. dba MONEY POWER admits the  
3 jurisdiction of the Commission over the subject matter of this proceeding. AMERICAN MONEY  
4 POWER, INC. dba MONEY POWER acknowledges that it has been fully advised of its right to a  
5 hearing to present evidence and call witnesses and AMERICAN MONEY POWER, INC. dba  
6 MONEY POWER knowingly and voluntarily waives any and all rights to a hearing before the  
7 Commission and all other rights otherwise available under Article 11 of the Securities Act and  
8 Title 14 of the Arizona Administrative Code. AMERICAN MONEY POWER, INC. dba MONEY  
9 POWER acknowledges that this Order To Cease And Desist, Order Of Restitution, Order For  
10 Administrative Penalties and Consent To Same ("Order") constitutes a valid final order of the  
11 Commission.

12 2. AMERICAN MONEY POWER, INC. dba MONEY POWER knowingly and  
13 voluntarily waives any right it may have under Article 12 of the Securities Act to judicial review  
14 by any court by way of suit, appeal, or extraordinary relief resulting from the entry of this Order.

15 3. AMERICAN MONEY POWER, INC. dba MONEY POWER acknowledges and  
16 agrees that this Order is entered into freely and voluntarily and that no promise was made or  
17 coercion used to induce such entry.

18 4. AMERICAN MONEY POWER, INC. dba MONEY POWER acknowledges that it  
19 has been represented by counsel in this matter, it has reviewed this Order with its attorney and  
20 understands all terms it contains.

21 5. AMERICAN MONEY POWER, INC. dba MONEY POWER admits for purposes  
22 of this proceeding only the Findings of Fact and Conclusions of Law contained in this Order.

23 6. By consenting to the entry of this Order, AMERICAN MONEY POWER, INC. dba  
24 MONEY POWER agrees not to take any action or to make, or permit to be made, any public  
25 statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order  
26 or creating the impression that this Order is without factual basis. AMERICAN MONEY

1 POWER, INC. dba MONEY POWER will undertake steps necessary to assure that all of its agents  
2 and employees understand and comply with this agreement.

3 7. While this Order settles this administrative matter between AMERICAN MONEY  
4 POWER, INC. dba MONEY POWER and the Commission, AMERICAN MONEY POWER,  
5 INC. dba MONEY POWER understands that this Order does not preclude the Commission from  
6 instituting other administrative proceedings based on violations that are not addressed by this  
7 Order.

8 8. AMERICAN MONEY POWER, INC. dba MONEY POWER understands that this  
9 Order does not preclude the Commission from referring this matter to any governmental agency  
10 for administrative, civil, or criminal proceedings that may be related to the matters addressed by  
11 this Order.

12 9. AMERICAN MONEY POWER, INC. dba MONEY POWER understands that this  
13 Order does not preclude any other agency or officer of the state of Arizona or its subdivisions from  
14 instituting administrative, civil or criminal proceedings that may be related to matters addressed by  
15 this Order.

16 10. AMERICAN MONEY POWER, INC. dba MONEY POWER agrees that it will not  
17 apply to the state of Arizona for registration as a securities dealer or for licensure as an investment  
18 adviser until such time as all restitution and penalties under this Order are paid in full.

19 11. AMERICAN MONEY POWER, INC. dba MONEY POWER agrees that it will not  
20 exercise any control over any entity that offers or sells securities or provides investment advisory  
21 services, within or from Arizona unless AMERICAN MONEY POWER, INC. dba MONEY  
22 POWER is registered or it meets an exemption from registration.

23 12. AMERICAN MONEY POWER, INC. dba MONEY POWER agrees that until  
24 restitution and penalties are paid in full, AMERICAN MONEY POWER, INC. dba MONEY  
25 POWER will notify the Director of the Division within 30 days of any change in its address or any  
26 change in AMERICAN MONEY POWER, INC. dba MONEY POWER's ability to pay amounts

1 due under this Order.

2 13. AMERICAN MONEY POWER, INC. DBA MONEY POWER L.L.C. shall submit  
3 a quarterly report, starting the first quarter after the date of this Order, to the Division detailing the  
4 payments made to the investors and the status of its contractual obligations.

5 14. AMERICAN MONEY POWER, INC. DBA MONEY POWER L.L.C. attests that  
6 all funding transactions were arms length transactions, they were independent, and neither  
7 AMERICAN MONEY POWER, INC. DBA MONEY POWER L.L.C., nor its owners,  
8 management or affiliates has any ownership interest in any entities that borrowed funds from  
9 investors.

10 15. AMERICAN MONEY POWER, INC. dba MONEY POWER understands that  
11 default shall render it liable to the Commission for its costs of collection and interest at the  
12 maximum legal rate.

13 16. AMERICAN MONEY POWER, INC. dba MONEY POWER consents to the entry  
14 of this Order and agrees to be fully bound by its terms and conditions.

15 17. ROBERT K. REHM is properly authorized to sign on behalf of AMERICAN  
16 MONEY POWER, INC. dba MONEY POWER.

17 AMERICAN MONEY POWER, INC. dba  
18 MONEY POWER

19  
20 \_\_\_\_\_  
21 By: ROBERT K. REHM

22 SUBSCRIBED AND SWORN TO BEFORE me this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

23  
24 \_\_\_\_\_  
25 NOTARY PUBLIC

26 My Commission Expires:  
\_\_\_\_\_

**CONSENT TO ENTRY OF ORDER**

1  
2 1. FEDERAL CAPITAL, L.L.C., admits the jurisdiction of the Commission over the  
3 subject matter of this proceeding. FEDERAL CAPITAL, L.L.C. acknowledges that it has been  
4 fully advised of its right to a hearing to present evidence and call witnesses and FEDERAL  
5 CAPITAL, L.L.C. knowingly and voluntarily waives any and all rights to a hearing before the  
6 Commission and all other rights otherwise available under Article 11 of the Securities Act and  
7 Title 14 of the Arizona Administrative Code. FEDERAL CAPITAL, L.L.C. acknowledges that  
8 this Order To Cease And Desist, Order Of Restitution, Order For Administrative Penalties and  
9 Consent To Same ("Order") constitutes a valid final order of the Commission.

10 2. FEDERAL CAPITAL, L.L.C. knowingly and voluntarily waives any right its may  
11 have under Article 12 of the Securities Act to judicial review by any court by way of suit, appeal,  
12 or extraordinary relief resulting from the entry of this Order.

13 3. FEDERAL CAPITAL, L.L.C. acknowledges and agrees that this Order is entered  
14 into freely and voluntarily and that no promise was made or coercion used to induce such entry.

15 4. FEDERAL CAPITAL, L.L.C. acknowledges that it has been represented by counsel  
16 in this matter, it has reviewed this Order with its attorney and understands all terms it contains.

17 5. FEDERAL CAPITAL, L.L.C. admits for purposes of this proceeding only the  
18 Findings of Fact and Conclusions of Law contained in this Order.

19 6. By consenting to the entry of this Order, FEDERAL CAPITAL, L.L.C. agrees not  
20 to take any action or to make, or permit to be made, any public statement denying, directly or  
21 indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that  
22 this Order is without factual basis. FEDERAL CAPITAL, L.L.C. will undertake steps necessary to  
23 assure that all of its agents and employees understand and comply with this agreement.

24 7. While this Order settles this administrative matter between FEDERAL CAPITAL,  
25 L.L.C. and the Commission, FEDERAL CAPITAL, L.L.C. understands that this Order does not  
26

1 preclude the Commission from instituting other administrative proceedings based on violations  
2 that are not addressed by this Order.

3 8. FEDERAL CAPITAL, L.L.C. understands that this Order does not preclude the  
4 Commission from referring this matter to any governmental agency for administrative, civil, or  
5 criminal proceedings that may be related to the matters addressed by this Order.

6 9. FEDERAL CAPITAL, L.L.C. understands that this Order does not preclude any  
7 other agency or officer of the state of Arizona or its subdivisions from instituting administrative,  
8 civil or criminal proceedings that may be related to matters addressed by this Order.

9 10. FEDERAL CAPITAL, L.L.C. agrees that its will not apply to the state of Arizona  
10 for registration as a securities dealer or for licensure as an investment adviser until such time as all  
11 restitution and penalties under this Order are paid in full.

12 11. FEDERAL CAPITAL, L.L.C. agrees that it will not exercise any control over any  
13 entity that offers or sells securities or provides investment advisory services, within or from  
14 Arizona unless FEDERAL CAPITAL, L.L.C. is registered or it meets an exemption from  
15 registration.

16 12. FEDERAL CAPITAL, L.L.C. agrees that until restitution and penalties are paid in  
17 full, FEDERAL CAPITAL, L.L.C. will notify the Director of the Division within 30 days of any  
18 change in address or any change in FEDERAL CAPITAL, L.L.C.'s ability to pay amounts due  
19 under this Order.

20 13. FEDERAL CAPITAL, L.L.C. shall submit a quarterly report, starting the first  
21 quarter after the date of this Order, to the Division detailing the payments made to the investors  
22 and the status of its contractual obligations.

23 14. FEDERAL CAPITAL, L.L.C. attests that all funding transactions were arms length  
24 transactions, they were independent, and neither FEDERAL CAPITAL, L.L.C., nor its owners,  
25 management or affiliates has any ownership interest in any entities that borrowed funds from  
26 investors.



15. FEDERAL CAPITAL, L.L.C. understands that default shall render it liable to the Commission for its costs of collection and interest at the maximum legal rate.

16. FEDERAL CAPITAL, L.L.C. consents to the entry of this Order and agrees to be fully bound by its terms and conditions.

17. LARRY DUNNING is properly authorized to sign on behalf of FEDERAL CAPITAL, L.L.C.

FEDERAL CAPITAL, L.L.C.,

By: LARRY DUNNING

SUBSCRIBED AND SWORN TO BEFORE me this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

---

NOTARY PUBLIC

My Commission Expires:

**CONSENT TO ENTRY OF ORDER**

1  
2 1. CORPORATE FIDUCIAL SERVICES, INC., admits the jurisdiction of the  
3 Commission over the subject matter of this proceeding. CORPORATE FIDUCIAL SERVICES,  
4 INC. acknowledges that it has been fully advised of its right to a hearing to present evidence and  
5 call witnesses and CORPORATE FIDUCIAL SERVICES, INC. knowingly and voluntarily waives  
6 any and all rights to a hearing before the Commission and all other rights otherwise available  
7 under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code.  
8 CORPORATE FIDUCIAL SERVICES, INC. acknowledges that this Order To Cease And Desist,  
9 Order Of Restitution, Order For Administrative Penalties and Consent To Same ("Order")  
10 constitutes a valid final order of the Commission.

11 2. CORPORATE FIDUCIAL SERVICES, INC. knowingly and voluntarily waives  
12 any right it may have under Article 12 of the Securities Act to judicial review by any court by way  
13 of suit, appeal, or extraordinary relief resulting from the entry of this Order.

14 3. CORPORATE FIDUCIAL SERVICES, INC. acknowledges and agrees that this  
15 Order is entered into freely and voluntarily and that no promise was made or coercion used to  
16 induce such entry.

17 4. CORPORATE FIDUCIAL SERVICES, INC. acknowledges that it has been  
18 represented by counsel in this matter, it has reviewed this Order with its attorney and understands  
19 all terms it contains.

20 5. CORPORATE FIDUCIAL SERVICES, INC. admits for purposes of this  
21 proceeding only the Findings of Fact and Conclusions of Law contained in this Order.

22 6. By consenting to the entry of this Order, CORPORATE FIDUCIAL SERVICES,  
23 INC. agrees not to take any action or to make, or permit to be made, any public statement denying,  
24 directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the  
25 impression that this Order is without factual basis. CORPORATE FIDUCIAL SERVICES, INC.  
26

1 will undertake steps necessary to assure that all of its agents and employees understand and  
2 comply with this agreement.

3       7. While this Order settles this administrative matter between CORPORATE  
4 FIDUCIAL SERVICES, INC. and the Commission, CORPORATE FIDUCIAL SERVICES, INC.  
5 understands that this Order does not preclude the Commission from instituting other administrative  
6 proceedings based on violations that are not addressed by this Order.

7       8. CORPORATE FIDUCIAL SERVICES, INC. understands that this Order does not  
8 preclude the Commission from referring this matter to any governmental agency for  
9 administrative, civil, or criminal proceedings that may be related to the matters addressed by this  
10 Order.

11       9. CORPORATE FIDUCIAL SERVICES, INC. understands that this Order does not  
12 preclude any other agency or officer of the state of Arizona or its subdivisions from instituting  
13 administrative, civil or criminal proceedings that may be related to matters addressed by this  
14 Order.

15       10. CORPORATE FIDUCIAL SERVICES, INC. agrees that it will not apply to the  
16 state of Arizona for registration as a securities dealer or for licensure as an investment adviser until  
17 such time as all restitution and penalties under this Order are paid in full.

18       11. CORPORATE FIDUCIAL SERVICES, INC. agrees that it will not exercise any  
19 control over any entity that offers or sells securities or provides investment advisory services,  
20 within or from Arizona unless CORPORATE FIDUCIAL SERVICES, INC. is registered or it  
21 meets an exemption from registration.

22       12. CORPORATE FIDUCIAL SERVICES, INC. agrees that until restitution and  
23 penalties are paid in full, CORPORATE FIDUCIAL SERVICES, INC. will notify the Director of  
24 the Division within 30 days of any change in address or any change in CORPORATE FIDUCIAL  
25 SERVICES, INC.'s ability to pay amounts due under this Order.

26       13. CORPORATE FIDUCIAL SERVICES, INC. L.L.C. shall submit a quarterly

1 report, starting the first quarter after the date of this order, to the Division detailing the payments  
2 made to the investors and the status of its contractual obligations.

3 14. CORPORATE FIDUCIAL SERVICES, INC. L.L.C. attests that all funding  
4 transactions were arms length transactions, they were independent, and neither CORPORATE  
5 FIDUCIAL SERVICES, INC. L.L.C, nor its owners, management or affiliates has any. ownership  
6 interest in any entities that borrowed funds from investors.

7 15. CORPORATE FIDUCIAL SERVICES, INC. understands that default shall render  
8 it liable to the Commission for its costs of collection and interest at the maximum legal rate.

9 16. consents to the entry of this Order and agrees to be fully bound by its terms and  
10 conditions.

11 17. LARRY DUNNING is properly authorized to sign on behalf of CORPORATE  
12 FIDUCIAL SERVICES, INC.

13 CORPORATE FIDUCIAL SERVICES, INC.

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16 By: LARRY DUNNING  
Its: president

17 SUBSCRIBED AND SWORN TO BEFORE me this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

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20 NOTARY PUBLIC

21 My Commission Expires:

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**CONSENT TO ENTRY OF ORDER**

1  
2 1. PAUL J. MEKA, an individual, admits the jurisdiction of the Commission over the  
3 subject matter of this proceeding. PAUL J. MEKA acknowledges that he has been fully advised of  
4 his right to a hearing to present evidence and call witnesses and PAUL J. MEKA knowingly and  
5 voluntarily waives any and all rights to a hearing before the Commission and all other rights  
6 otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona  
7 Administrative Code. PAUL J. MEKA acknowledges that this Order To Cease And Desist, Order  
8 Of Restitution, Order For Administrative Penalties and Consent To Same (“Order”) constitutes a  
9 valid final order of the Commission.

10 2. PAUL J. MEKA knowingly and voluntarily waives any right he may have under  
11 Article 12 of the Securities Act to judicial review by any court by way of suit, appeal, or  
12 extraordinary relief resulting from the entry of this Order.

13 3. PAUL J. MEKA acknowledges and agrees that this Order is entered into freely and  
14 voluntarily and that no promise was made or coercion used to induce such entry.

15 4. PAUL J. MEKA acknowledges that he has been represented by counsel in this  
16 matter, he has reviewed this Order with his attorney and understands all terms it contains.

17 5. PAUL J. MEKA admits for purposes of this proceeding only the Findings of Fact  
18 and Conclusions of Law contained in this Order.

19 6. By consenting to the entry of this Order, PAUL J. MEKA agrees not to take any  
20 action or to make, or permit to be made, any public statement denying, directly or indirectly, any  
21 Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is  
22 without factual basis. PAUL J. MEKA will undertake steps necessary to assure that all of his  
23 agents and employees understand and comply with this agreement.

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1           7.       While this Order settles this administrative matter between PAUL J. MEKA and the  
2 Commission, PAUL J. MEKA understands that this Order does not preclude the Commission from  
3 instituting other administrative proceedings based on violations that are not addressed by this  
4 Order.

5           8.       PAUL J. MEKA understands that this Order does not preclude the Commission  
6 from referring this matter to any governmental agency for administrative, civil, or criminal  
7 proceedings that may be related to the matters addressed by this Order.

8           9.       PAUL J. MEKA understands that this Order does not preclude any other agency or  
9 officer of the state of Arizona or its subdivisions from instituting administrative, civil or criminal  
10 proceedings that may be related to matters addressed by this Order.

11          10.      PAUL J. MEKA agrees that he will not exercise any control over any entity that  
12 offers or sells securities or provides investment advisory services, within or from Arizona, unless  
13 he is registered or he meets an exemption from registration.

14          11.      PAUL J. MEKA agrees that until penalties are paid in full, PAUL J. MEKA will  
15 notify the Director of the Division within 30 days of any change in home address or any change in  
16 PAUL J. MEKA's ability to pay amounts due under this Order.

17          12.      PAUL J. MEKA attests that all funding transactions were arms length transactions,  
18 they were independent and PAUL J. MEKA has no management or ownership interest in any  
19 entities that borrowed funds from investors.

20          13.      PAUL J. MEKA understands that default shall render him liable to the Commission  
21 for its costs of collection and interest at the maximum legal rate.

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1           14.     PAUL J. MEKA consents to the entry of this Order and agrees to be fully bound by  
2 its terms and conditions.

3 \_\_\_\_\_  
4                   PAUL J. MEKA

5 SUBSCRIBED AND SWORN TO BEFORE me this \_\_\_\_ day of \_\_\_\_\_, 2002.

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7                   NOTARY PUBLIC

8 My Commission Expires:  
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**CONSENT TO ENTRY OF ORDER**

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2           1.       LARRY DUNNING, an individual, admits the jurisdiction of the Commission over  
3 the subject matter of this proceeding. LARRY DUNNING acknowledges that he has been fully  
4 advised of his right to a hearing to present evidence and call witnesses and LARRY DUNNING  
5 knowingly and voluntarily waives any and all rights to a hearing before the Commission and all  
6 other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona  
7 Administrative Code. LARRY DUNNING acknowledges that this Order To Cease And Desist,  
8 Order Of Restitution, Order For Administrative Penalties and Consent To Same ("Order")  
9 constitutes a valid final order of the Commission.

10           2.       LARRY DUNNING knowingly and voluntarily waives any right he may have  
11 under Article 12 of the Securities Act to judicial review by any court by way of suit, appeal, or  
12 extraordinary relief resulting from the entry of this Order.

13           3.       LARRY DUNNING acknowledges and agrees that this Order is entered into freely  
14 and voluntarily and that no promise was made or coercion used to induce such entry.

15           4.       LARRY DUNNING acknowledges that he has been represented by counsel in this  
16 matter, he has reviewed this Order with his attorney and understands all terms it contains.

17           5.       LARRY DUNNING admits for purposes of this proceeding only the Findings of  
18 Fact and Conclusions of Law contained in this Order.

19           6.       By consenting to the entry of this Order, LARRY DUNNING agrees not to take any  
20 action or to make, or permit to be made, any public statement denying, directly or indirectly, any  
21 Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is  
22 without factual basis. LARRY DUNNING will undertake steps necessary to assure that all of his  
23 agents and employees understand and comply with this agreement.

24           7.       While this Order settles this administrative matter between LARRY DUNNING  
25 and the Commission, LARRY DUNNING understands that this Order does not preclude the  
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1 Commission from instituting other administrative proceedings based on violations that are not  
2 addressed by this Order.

3 8. LARRY DUNNING understands that this Order does not preclude the Commission  
4 from referring this matter to any governmental agency for administrative, civil, or criminal  
5 proceedings that may be related to the matters addressed by this Order.

6 9. LARRY DUNNING understands that this Order does not preclude any other agency  
7 or officer of the state of Arizona or its subdivisions from instituting administrative, civil or  
8 criminal proceedings that may be related to matters addressed by this Order.

9 10. LARRY DUNNING agrees that he will not apply to the state of Arizona for  
10 registration as a securities dealer or salesman or for licensure as an investment adviser or  
11 investment adviser representative until the latter of five years from the date of the Order or until  
12 such time as all restitution and penalties under this Order are paid in full.

13 11. LARRY DUNNING agrees that he will not exercise any control over any entity that  
14 offers or sells securities or provides investment advisory services, within or from Arizona unless  
15 registered or meets an exemption from registration.

16 12. LARRY DUNNING agrees that until restitution and penalties are paid in full,  
17 LARRY DUNNING will notify the Director of the Securities Division within 30 days of any  
18 change in home address or any change in LARRY DUNNING's ability to pay amounts due under  
19 this Order.

20 13. LARRY DUNNING shall submit a quarterly report, starting the first quarter after  
21 the date of this Order, to the Division detailing the payments made to the investors and the status  
22 of his contractual obligations.

23 14. LARRY DUNNING attests that all funding transactions were arms length  
24 transactions, they were independent, and LARRY DUNNING has no management or ownership  
25 interest in any entities that borrowed funds from investors.  
26

16. LARRY DUNNING consents to the entry of this Order and agrees to be fully bound by its terms and conditions.

SUBSCRIBED AND SWORN TO BEFORE me this \_\_\_\_ day of \_\_\_\_\_, 2002.

My Commission Expires:

Decision No. \_\_\_\_\_